

Message Text

CONFIDENTIAL

PAGE 01 MADRID 06951 171122Z
ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-05 H-01 INR-07
L-03 NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15
USIA-06 CU-04 /063 W
-----010386 171134Z /20

P R 171010Z SEP 77
FM AMEMBASSY MADRID
TO SECSTATE WASHDC PRIORITY 1772
INFO SECDEF WASHDC
COMNAVACTS

C O N F I D E N T I A L MADRID 6951

FOR EUR/WE

E.O. 11652: GDS
TAGS: MARR, SP
SUBJ: SEPTEMBER 30, 1977, U.S.-SPANISH COUNCIL MEETING, NEW YORK -
CIRCULATION TAXES AT ROTA

REF: MADRID 6895

1. SUMMARY: AS A RESULT OF FURTHER DISCUSSION IN MADRID AT THE WORKING LEVEL ON THE QUESTION OF THE PAYMENT OF CIRCULATION TAXES BY US FORCES PERSONNEL AT ROTA, AN ELEMENT OF DOUBT HAS BEEN RAISED AS TO WHETHER THE SPANISH WILL CONTINUE TO WISH TO HAVE THIS HANDLED IN THE SEPTEMBER 30 COUNCIL MEETING AS A SEPARATE AGENDA ITEM OR WHETHER IT MIGHT BE TREATED IN THE CONTEXT OF THE REPORT OF THE JOINT COMMITTEE ON POLITICO-MILITARY ADMINISTRATIVE AFFAIRS (PMAA) TO THE COUNCIL. END SUMMARY.

2. THE PMAA WORKING GROUP ON THE CIRCULATION TAX QUESTION HELD ITS THIRD MEETING (FIRST TWO WERE HELD IN APRIL) ON FRIDAY, SEPTEMBER 16. THE FOLLOWING POINTS ARE WORTH RECORDING.

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 MADRID 06951 171122Z

3. THIS MEETING SERVED TO MAKE MORE CLEAR THAT THE FOCUS OF SPANISH OFFICIALS IS NOW FIRMLY ON THE PAYMENT OF THE CIRCULATION TAX IN ROTA PER SE, RATHER THAN ON THE BROADER QUESTION OF FINDING A WAY TO COMPENSATE THE MUNICIPALITY FOR EXTRAORDINARY COSTS INCURRED AS A RESULT OF THE US PRESENCE THERE.

4. THE GOS LEGAL ARGUMENT FOCUSSED ON THIS OCCASION EXCLUSIVELY ON THE CLAIM THAT, ALTHOUGH AUTOMOBILES ARE "MOVEABLE PERSONAL PROPERTY" WITHIN THE TERMS OF THE AGREEMENT IN IMPLEMENTATION, THE COMBINATION OF LANGUAGE IN ARTICLES 42 AND 43 OF THE AGREEMENT ESTABLISHES A SPECIAL REGIME FOR AUTOMOBILES, REMOVING THEM FROM THE GENERAL TAX EXEMPTION CONTAINED IN ARTICLE 42(1). THE GOS SIDE ARGUED IN THIS CONTEXT THAT WHAT TYPE OF ASSESSMENT THIS IS -- AN "IMPUESTO" (ONE OF THREE KINDS OF SPANISH TAXES) OR NOT -- IS NOT THE ISSUE.

5. SPANISH REPRESENTATIVES DIRECTLY REJECTED THE US ARGUMENT THAT THE SPECIFIC MENTION OF AUTOMOBILES IN THE ARTILCES IN QUESTION HAD BEEN NECESSITATED SOLELY BY THE SPANISH DESIRE TO LIMIT TO ONE IN THE CASE OF AUTOMOBILES THE BROAD TAX EXEMPTION GIVEN IMPORTED PROPERTY, AND TO LIMIT THE EXTENT OF THE EXEMPTION GIVEN TO A SECOND VEHICLES PURCHASED IN SPAIN.

6. AGREEMENT WAS REACHED THAT IT WOULD BE USEFUL AS A NEXT STEP TO SEEK ADDITIONAL KNOWLEDGE AS TO WHAT HAD ACTUALLY TRANSPIRED IN THE NEGOTIATION OF THE AGREEMENT ON THESE POINTS. (THERE ARE NO FORMAL MINUTES OF THE NEGOTIATING SESSIONS.)
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 MADRID 06951 171122Z

7. THE SPANISH PERMANENT SECRETARY OF THE COUNCIL, WHO HEADS THE SPANISH SIDE OF THE WORKING GROUP, SUGGESTED THAT THIS MIGHT BE NOTED IN THE PERMANENT SECRETARIES' REPORT AND IN THE PMAA REPORT TO THE COUNCIL, AND THAT THE COUNCIL MIGHT NOT HAVE TO GO BEYOND ENDORSING THIS FURTHER ACTION. HE ALSO HELD OUT THE HOPE THAT ON THIS BASIS THE ISSUE MIGHT BE TREATED AS PMAA BUSINESS, WITHOUT SINGLING IT OUT AS A SEPARATE AGENDA ITEM FOR THE COUNCIL MEETING. HE WOULD HAVE TO CHECK WITH HIGHER AUTHORITY.EATON

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: MILITARY PERSONNEL, MEETINGS, TAXES
Control Number: n/a
Copy: SINGLE
Sent Date: 17-Sep-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977MADRID06951
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D770338-1139
Format: TEL
From: MADRID
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770952/aaaabrres.tel
Line Count: 105
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 005b1343-c288-dd11-92da-001cc4696bcc
Office: ACTION EUR
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 77 MADRID 6895
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 14-Mar-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1235443
Secure: OPEN
Status: NATIVE
Subject: SEPTEMBER 30, 1977, U.S.-SPANISH COUNCIL MEETING, NEW YORK - CIRCULATION TAXES AT ROTA
TAGS: MARR, SP, US
To: STATE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/005b1343-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009